



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-5

NOV 14 1997

Paul G. Wulffing, Treasurer  
Centocor Inc. Employee Action Fund  
200 Great Valley Parkway  
Malvern, PA 19355

Identification Number: C00297481

Reference: Mid-Year Report (1/1/97-6/30/97)

Dear Mr. Wulffing:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount deducted per payroll period. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

Any amendment or clarification should be filed with the Federal Election Commission. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,

A handwritten signature in black ink that reads "Melissa Hurd".

Melissa Hurd  
Reports Analyst  
Reports Analysis Division

## PAYROLL DEDUCTIONS

### SCHEDULE A

### ITEMIZED RECEIPTS

#### Contributions from Individuals

User expense schedule  
for each category of the  
Contributed Summary Page  
PAGE OF  
FOR LINE NUMBER  
11(a)(1)

| NAME OF COMMITTEE (In Part)   |                                |                       |                                      |
|---|--------------------------------|-----------------------|--------------------------------------|
| National Organization PAC 000000001   |                                |                       |                                      |
| A. Full Name, Mailing Address and ZIP Code  | Name of Employee               | Date paid<br>day/year | Amount of Cash<br>Received in Period |
| Anne Sullivan<br>21 16th Street<br>City, State ZIP  | National<br>Organization, Inc. | payroll<br>deduction  | \$80.00                              |
| Responsible Person: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General<br><small>(Other capacity)</small> | Occupation<br>Branch Manager   |                       | (\$15<br>biweekly)                   |
|   | Agencies Worked                |                       | 285.00                               |
| B. Full Name, Mailing Address and ZIP Code  | Name of Employee               | Date paid<br>day/year | Amount of Cash<br>Received in Period |
| Rodney Jones<br>881 Hartsbury Road<br>City, State ZIP   | National<br>Organization, Inc. | payroll<br>deduction  | \$180.00                             |
| Responsible Person: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General<br><small>(Other capacity)</small> | Occupation<br>Vice President   |                       | (\$20<br>biweekly)                   |

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

## IN-KIND CONTRIBUTIONS

### SCHEDULE A

### ITEMIZED RECEIPTS

#### Contributions from Individuals

User expense schedule  
for each category of the  
Contributed Summary Page  
PAGE OF  
FOR LINE NUMBER  
5 1(a)(1)

| NAME OF COMMITTEE (In Part)   |                                |                       |                                      |
|---|--------------------------------|-----------------------|--------------------------------------|
| National Organization PAC 000000001   |                                |                       |                                      |
| A. Full Name, Mailing Address and ZIP Code  | Name of Employee               | Date paid<br>day/year | Amount of Cash<br>Received in Period |
| Martin L. Kress<br>4 River Road<br>City, State ZIP  | National<br>Organization, Inc. | 8/19/94               | \$2,889.00                           |
| Responsible Person: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General<br><small>(Other capacity)</small> | Occupation<br>Chairman         |                       | (\$1,445.00)<br>(RAFFLE<br>PRIZE)    |
|   | Agencies Worked                |                       | 3,928.00                             |

### SCHEDULE B

### ITEMIZED EXPENDITURES

#### Operating Expenditures/Other Federal

User expense schedule  
for each category of the  
Contributed Summary Page  
PAGE OF  
FOR LINE NUMBER  
21(b)

| NAME OF COMMITTEE (In Part)   |  |                       |  |
|---|--|-----------------------|--|
| National Organization PAC 000000001   |  |                       |  |
| A. Full Name, Mailing Address and ZIP Code  | Persons of Disbursement  | Date paid<br>day/year | Amount of Cash<br>Received in Period   |
| Martin L. Kress<br>4 River Road<br>City, State ZIP  | Traffic police   | 8/19/94               | \$5,000.00                             |
| Responsible Person: <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General<br><small>(Other capacity)</small> | Disbursement Method: <input type="checkbox"/> Check <input checked="" type="checkbox"/> Cash<br><small>(Other)</small> |                       | (\$5,000.00)<br>(IN-KIND CONTRIBUTION) |

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

## Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

**EXAMPLE:** During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(1) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See item A in the illustration above.)

## In-Kind Contributions

When determining whether to itemize an in-kind contribution, follow the same guidelines listed above under "When to Itemize Receipts." See page 8 for information on how to determine the dollar value of an in-kind contribution.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at right.

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